

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

UNITED STATES OF AMERICA,)	
)	
v.)	No.
)	
LIA KRISTEN MITCHELL)	
Defendant.)	

INFORMATION

The United States Attorney charges that:

BACKGROUND

1. Beginning in 2012 and continuing through in or about February 2018, LIA KRISTEN MITCHELL worked for FBM and Associates.

2. FBM and Associates was a for-profit business located in Jefferson County within the Northern District of Alabama. FBM and Associates was in the business of assisting individuals with low credit scores to improve or repair their credit scores, with the goal of improving their abilities to obtain credit from businesses, credit card companies, and financial institutions and/or the terms under which they could obtain credit.

3. The Credit Repair Organizations Act defines a credit repair organization in part as any person who uses any instrumentality of interstate commerce or the

mails to sell, provide, or perform (or represent that such person can or will sell, provide, or perform) any service, in return for the payment of money or other valuable consideration, for the express or implied purpose of:

- a. Improving any consumer's credit record, credit history or credit rating,
or
- b. Providing advice or assistance to any consumer with regard to any activity or service described in (a).

4. Equifax, Transunion and Experian, otherwise known as Consumer Reporting Agencies (CRA), are in the business of assembling and evaluating consumer credit information and other information regarding consumers and providing reports about the credit-worthiness of consumers to third parties, i.e., credit reports.

5. CRAs typically sell credit reports to entities (the "end-users") in the business of making decisions regarding whether to lend money or extend credit to consumers.

6. CRAs also provide end-users with "credit scores." Credit scoring is a statistical methodology that quantifies the credit risk posed by a prospective or current borrower and is based on information in the credit report. The ultimate credit score of a consumer is influenced by many factors, including, but not limited to, the consumer's payment history, account balances, available credit limit, and length of

credit history. Credit histories are comprised of information provided to CRAs by “furnishers.” Furnishers are entities that provide information relating to consumers to one or more CRAs for inclusion by the CRA in a credit report and, ultimately, for the information to be factored into a credit score. Common furnishers are credit card companies, lenders, department stores, utilities, insurers, and collection agencies. End-users of credit reports and credit scores use them to determine creditworthiness of their customers. Because of the importance of credit histories and credit scores to lending decisions, the integrity and availability of accurate data and information maintained by CRAs is extremely important to furnishers, end-users and CRAs.

7. According to Section 605B of the Fair Credit Reporting Act (FCRA), “Except as otherwise provided in this section, a consumer reporting agency shall block the information in the file of a consumer that the consumer identifies as information that resulted from an alleged identity theft, not later than four business days after the date of receipt by such agency of:

- a. appropriate proof of identity of the consumer;
- b. a copy of an identity theft report
- c. the identification of such information by the consumer; and
- d. a statement by the consumer that the information is not information relating to any transaction by the consumer.”

8. The Federal Trade Commission (FTC) advises consumers: “An Identity Theft Report will help you deal with credit reporting companies, debt collectors, and businesses that gave the identity thief credit or opened new accounts in your name. You can use the Report to:

- a. get fraudulent information removed from your credit report;
- b. stop a company from collecting debts that result from identity theft, or from selling the debt of another company for collection;
- c. place an extended fraud alert on your credit report;
- d. get information from companies about accounts the identity thief opened or misused.”

COUNT ONE
18 U.S.C. § 371

9. Beginning in or about 2012 and continuing through in or about February 2018, **LIA KRISTEN MITCHELL**, and other known and unknown co-conspirators, did knowingly, and willfully combine, conspire, confederate and agree with each other to devise a scheme and artifice to defraud consumers, and to obtain money and property by means of false and fraudulent pretenses, representations and promises, to wit; the Defendant and others knowingly solicited consumers and offered to assist consumers with repairing their credit, the Defendant and co-conspirators created false and fraudulent police Incident Reports fraudulently

claiming the consumers were victims of Identity Theft, and they placed the Incident Reports in an authorized depository for mail, to be sent and delivered by the United States Postal Service or any private or commercial interstate carrier, to the victim credit reporting agencies, in violation of Title 18, United States Code, Section 1341.

MANNER AND MEANS

10. Defendant **LIA KRISTEN MITCHELL**, and other known and unknown co-conspirators, while working for FBM and Associates, obtained the names, dates of birth, social security numbers and addresses for consumers who desired to have their credit improved or repaired.

11. Defendant **LIA KRISTEN MITCHELL**, and other known and unknown co-conspirators, engaged in a scheme to falsely and fraudulently improve the credit scores of more than one thousand consumers. The consumers paid between \$750 and \$1,200 for the fraudulent credit repair service.

12. Defendant **LIA KRISTEN MITCHELL**, and other known and unknown co-conspirators, prepared false and fraudulent police Incident Reports indicating the consumers had been victims of Identity Fraud or Identity Theft, knowing that the consumers had not been victims of Identity Fraud or Identity Theft.

13. In support of the consumer's claim of Identity Fraud or Identity Theft, the Defendant **LIA KRISTEN MITCHELL**, and other known and unknown co-conspirators, sent the fraudulent police Incident Reports to the CRAs via mail.

14. The false and fraudulent information submitted to CRAs by **LIA KRISTEN MITCHELL**, and other known and unknown co-conspirators, caused or attempted to cause CRAs to suppress trade lines and public debt from more than one thousand consumer credit reports. This falsely and fraudulently improved the credit histories and scores, and impaired the integrity and availability of data and information provided by CRAs.

OVERT ACTS

In furtherance of the conspiracy and to achieve the objects thereof, Defendant **LIA KRISTEN MITCHELL**, and other known and unknown co-conspirators, committed and caused to be committed the following overt acts, among others, in Jefferson County within the Northern District of Alabama and elsewhere.

15. On or about October 18, 2017, defendant **LIA KRISTEN MITCHELL** talked to a consumer with initials K.M.T. (hereinafter referred to as Consumer #1) regarding assisting the consumer with credit repair and scheduled for Consumer #1 to come to FBM and Associates in Birmingham. At that time, **LIA KRISTEN MITCHELL** instructed Consumer #1 on what information to bring to meet with her at FBM and Associates.

16. On or about October 20, 2017, Consumer #1 went to FBM and Associates in Birmingham and met with a co-conspirator who explained that they could wipe the debt from Consumer #1's credit report for a cost of \$1,200.

17. On or about October 25, 2017, a false and fraudulent police Incident Report purporting to be from Fayetteville, Arkansas Police Department was mailed to Equifax with Consumer #1 listed as the victim of identity theft.

18. On or about November 14, 2017, Consumer #1 exchanged text messages with defendant, **LIA KRISTEN MITCHELL**, regarding paying FBM and Associates a \$200 payment for credit repair services. Defendant, **LIA KRISTEN MITCHELL**, provided Consumer #1 with a Wells Fargo Bank account number and instructed Consumer #1 to deposit the money into the account at Wells Fargo Bank.

19. On or about November 28, 2017, Consumer #1 received three letters in the mail, one from TransUnion LLC and two from Experian. All three letters referenced Consumer #1 being a victim of identity theft. Consumer #1 took all three letters to FBM and Associates.

20. On or about December 7, 2017, **LIA KRISTEN MITCHELL** texted Consumer #1 requesting that he make a cash payment for continued credit repair services and requesting that he register with creditkarma.com.

21. On or about December 12, 2017, Consumer #1 gave **LIA KRISTEN MITCHELL** the login and password for creditkarma.com and **LIA KRISTEN MITCHELL** asked Consumer #1 for another payment for credit repair services.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO
18 U.S.C. § 1028(a)(7)

The United States further charges that:

22. The United States re-alleges and incorporates as if fully set forth herein, Paragraphs 1 through 21 of this Information.

23. Beginning in or about 2012 and continuing through in or about February 2018, in Jefferson County, within the Northern District of Alabama and elsewhere, the defendant,

LIA KRISTEN MITCHELL,

did knowingly transfer, possess and use in or affecting interstate commerce, without lawful authority, a means of identification of another person, to wit, the names, signature and/or badge number of police officers, knowing that the means of identification belonged to actual persons, with the intent to commit, or to aid or abet, or in connection with, any unlawful activity that constitutes a violation of Federal law, to wit, mail fraud in violation of 18 U.S.C. § 1341.

All in violation of Title 18, United States Code, Section 1028(a)(7).

PRIM F. ESCALONA
United States Attorney

/s/ Electronic Signature
ROBIN B. MARK
Assistant United States Attorney